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TO: **Income Maintenance Supervisors**
Income Maintenance Lead Workers
Income Maintenance Workers
Training Staff
Child Care Coordinators
W-2 Agencies
Workforce Development Boards
Job Center Leads and Managers

FROM: Amy Mendel-Clemens
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Section
Bureau of Health Care Eligibility
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BHCE/BWP OPERATIONS MEMO

No: 06-05

DATE: 03/08/2006

FS	<input checked="" type="checkbox"/>	MA	<input checked="" type="checkbox"/>	SC	<input type="checkbox"/>
CTS	<input type="checkbox"/>	CC	<input type="checkbox"/>	W-2	<input type="checkbox"/>
FSET	<input type="checkbox"/>	EA	<input type="checkbox"/>	CF	<input type="checkbox"/>
JAL	<input type="checkbox"/>	JC	<input type="checkbox"/>	RAP	<input type="checkbox"/>
WIA	<input type="checkbox"/>	WtW	<input type="checkbox"/>		
Other	EP	<input type="checkbox"/>	★		

PRIORITY: HIGH

SUBJECT: **FoodShare and Medicaid Second Party Reviews**

CROSS REFERENCE: 2006 Income Maintenance County Contracts
Administrators Memo 06-02

EFFECTIVE DATE: MARCH 8, 2006

PURPOSE

This memo provides local agencies with information regarding:

1. The new Medicaid (MA) and revised FoodShare (FS) second party review requirements,
2. Income Maintenance Quality Assurance (IMQA) system review process enhancements – second party review tool redesigned to allow for completion of MA and FS second party reviews, and,
3. The new IMQA Second Party Review Manual on the Eligibility Management (EM) webpage.

BACKGROUND

The Bureau of Eligibility Management (BEM) has a commitment to quality assurance and has recognized the need to increase accuracy and efficiency in IM programs. As part of this commitment, DHFS has included both FS and MA second party reviews as a requirement in the 2006 State and County Contract which includes Income Maintenance (IM) programs. Additionally, support for a standard second party review process has come from the following:

- Recommendations put forth by the Income Maintenance Advisory Committee (IMAC) Quality Assurance Subcommittee.
- The 2002 Medicaid Eligibility Quality Control (MEQC) findings along with state FS Quality Assurance (QA) findings.
- The Legislative Audit Bureau's 2004 report "Medical Assistance Eligibility Determinations"
- Mandated MA review process that is part of the Biennial Budget for 2005-2007.
- Projected benefit savings of close to \$6 million as a result of this effort.

A new process has been developed to provide a uniform method for all IM agencies across the state to complete and collect FS and MA second party review data.

A web based second party review tool, formerly known as FoodShare Quality Assurance (FSQA) or Newman, has been enhanced to accommodate a review for both FS and MA. IM agencies will be required to use this tool. Information on how to obtain access to the IMQA system and how to use the second party review tool is available in the IMQA Second Party Review Manual located on the [EM](#) webpage.

The goals of the FS/MA second party reviews are to:

- Establish baseline data so that program improvements can be more effectively implemented and measured,
- Identify areas for cost savings and program improvement,
- Maintain a focus of payment accuracy on IM programs, and
- Minimize workload by combining both FS/MA 2nd party review processes.

The second party review data is expected to provide an indication of error prone areas or highlight items in need of further research. The second party review process also provides an opportunity for agencies and BEM to work together on program improvement in addition to being a valuable tool for local agency supervisors to effectively monitor work performance.

POLICY

FS/MA SECOND PARTY REVIEW REQUIREMENTS

New IMQA requirements:

- Local agencies must review 0.9 % of their FS/MA caseload. The number of reviews required to be completed for each month will be calculated and provided to each agency at the beginning of the year and this number will remain the same throughout the year.
- Two thirds of the monthly required reviews must be done on cases open for FS or FS/MA and one third open for MA only. MA only cases are cases open for any full benefit MA or full benefit MA with another limited benefit MA program. All FS and MA

cases selected require a review for both programs. Small agencies (500 cases or less) must review a minimum of two cases per month, one FS/MA case and one MA only case.

- A list of selected cases from which the agency may draw to meet the new requirement will be provided monthly. The list will show case numbers by program type allowing the worker, supervisor, or QA staff person to select the specific type of case for review. The MA case list will be further divided to include cases open for BadgerCare (BC), AFDC and AFDC-Related MA, Elderly, Blind or Disabled (EBD), Healthy Start (HS), Institutional MA and Community Waivers. To maximize the usefulness of these reviews, the worker, supervisor, or other QA staff should select a variety of cases from each of these categories to review.
- Initially, IMQA agencies have to select their cases to review through the automated monthly sample pull. In the future, local agencies will be allowed the opportunity to include cases that have been reviewed for special circumstances, such as a Fair Hearing, customer complaint, FEV cases, problem cases, new worker cases, etc. Until this option is available, the local agency second party review completion requirement will be reduced to 0.5 % of their FS/MA caseload. Small agencies (500 cases or less) must review a minimum of two cases per month, one FS/MA case and one MA only case. Once the enhancement is complete, agencies will be required to review 0.9% of their FS/MA caseload.
- The IMQA Manual and Review Tool will be available March 8, 2006. Individuals responsible for completing the second party reviews should follow the instructions on gaining access as outlined in the IMQA Manual at http://www.emhandbooks.wi.gov/imqa/Accessing_IMQA/IMQAAccess.htm. Reviewers should also familiarize themselves with the enhancements to the IMQA Second Party Review tool. It is expected that agencies will be compliant with the new IM contract requirement effective April 1, 2006.
- The contracts with local agencies call for 100% compliance in order to realize projected Medicaid savings. Non-compliance will be addressed through the corrective action process.

IMQA REVIEW PROCESS ENHANCEMENT

- IMQA is a web-based application that has been designed to allow staff to enter data and state and local managers to track the findings for FS/MA agency second party reviews, state QA FS reviews, and Payment Accuracy Consultant (PAC) reviews. The uniformity of information achieved through using this system for all QA activities will allow end users to better evaluate the origins of errors and to identify areas for improvement in training, policy, and systems.
- The Second Party Review tool has been re-designed and can now be used to complete a second party review for MA and FS.
- Cases for review will come from a case sample pull generated from CARES. The list of selected FS, FS and MA, and MA only cases will occur on the first Saturday of the month and be available the following Monday.

- The cases identified for review will appear in a list in the IMQA Second Party Review tool.
- Cases are identified by sample month, the month they are pulled from CARES. This will provide a way to monitor completion of the required number of monthly reviews.
- Once a reviewer selects a case for review, he/she is directed through a series of questions in the tool, and asked to confirm the validity of financial and non-financial information for individuals in the case. Responses are entered and submitted directly into the IMQA system.
- Second party reviews are to be done by a county/tribal agency worker, supervisor, or QA staff who is not the assigned worker for a reviewed case.
- The required monthly reviews must be completed by the end of the month following the sample month.

For example, the March case sample will be available to the agency on March 6th. The required number of reviews must be completed by April 30th.

- A third party review may be done by BEM staff on a sample of the completed second party reviews to ensure validity of the tool and that reviews have been done as directed by the state.

IMQA SECOND PARTY REVIEW MANUAL ON THE EM WEB PAGE

The IMQA Second Party Review Manual can be found on the [EM Webpage](#) in the “Handbooks and Manuals” section. This procedure manual has been developed to assist local county/tribal agencies in using the IMQA system.

The manual includes information on how to obtain access to the IMQA system, page descriptions, process guidance, and navigational tips for reviewers completing second party reviews.

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Wisconsin Department of Health and Family Services

Income Maintenance Quality Assurance Second Party Review Manual

Welcome to the Income Maintenance Quality Assurance (IMQA) Second Party Review Manual. This manual has been developed to assist local county/tribal agencies in using the IMQA system.

IMQA is a web-based application designed to input and track findings for FoodShare (FS) and Medicaid (MA) second party reviews, PAC reviews, and FS state Quality Assurance reviews. The information obtained from this tool will be used to evaluate errors and to identify areas for improvement in training, policy, and systems.

This manual accompanies the web based IMQA tool. It includes policy guidance, process guidance, and navigational tips for reviewers completing second party reviews.

The content within this manual is the sole responsibility of the State of Wisconsin's Department of Health and Family Services (DHFS). This site will link to sites outside of DHFS where appropriate. DHFS is in no way responsible for the content of sites outside of DHFS.

CORRECTIVE ACTION

If an error is identified during the second party review, you must take action to correct the case. This may include:

- A re-determination, restoration, and/or termination of MA and/or FS eligibility.
- Requesting verification or additional information from the client or third party.
- Initiating benefit recovery when it is determined that an overpayment occurred and it meets the criteria for a recoverable error.
- Issuing a FS auxiliary if an underpayment has occurred.

Refer to the appropriate program handbook for specific policy regarding corrective action procedures.

REPORTS/FEEDBACK

In the future, agencies will have the capability to generate reports directly from IMQA, similar to the reports currently available for FS. More complex and specific reports will be available through the data warehouse in the future.

ATTACHMENT

The IMQA Second Party Review presentation is a high level overview of this project.

CONTACTS

BEM CARES Information & Problem Resolution Center

★Program Categories – FS – FoodShare, MA – Medicaid, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – Food Stamp Employment and Training, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WtW – Welfare to Work, WIA – Workforce Investment Act, Other EP – Other Employment Programs.

DHFS/DHCF/BEM/JE